

Senate Study Bill 3060

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
INSPECTIONS AND APPEALS
BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act increasing license fees for the regulation of hotels, food
2 establishments, and food processing plants.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 5503DP 82
5 jr/nh/5

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1 1 Section 1. Section 137C.9, subsection 1, Code Supplement
1 2 2007, is amended to read as follows:
1 3 1. Either the department or the municipal corporation
1 4 shall collect the following annual license fees:
1 5 a. For a hotel containing fifteen guest rooms or less,
1 6 ~~twenty-seven~~ forty dollars.
1 7 b. For a hotel containing more than fifteen but less than
1 8 ~~thirty-one~~ guest rooms, ~~forty sixty~~ sixty dollars ~~and fifty cents~~.
1 9 c. For a hotel containing more than thirty but less than
1 10 ~~seventy-six~~ guest rooms, ~~fifty-four~~ eighty dollars.
1 11 d. For a hotel containing more than seventy-five but less
1 12 than one hundred fifty guest rooms, ~~fifty-seven~~ one hundred
1 13 fifty dollars ~~and fifty cents~~.
1 14 e. For a hotel containing one hundred fifty or more guest
1 15 rooms, one hundred ~~one~~ fifty dollars ~~and twenty-five cents~~.
1 16 Sec. 2. Section 137D.2, subsection 1, Code Supplement
1 17 2007, is amended to read as follows:
1 18 1. A person shall not open or operate a home food
1 19 establishment until a license has been obtained from the
1 20 department of inspections and appeals. The department shall
1 21 collect a fee of ~~thirty-three~~ fifty dollars ~~and seventy-five~~
1 22 ~~cents~~ for a license. After collection, the fees shall be
1 23 deposited in the general fund of the state. A license shall
1 24 expire one year from date of issue. A license is renewable.
1 25 Sec. 3. Section 137F.3A, subsection 2, Code Supplement
1 26 2007, is amended to read as follows:
1 27 2. Notwithstanding chapter 137D, and sections 137C.9 and
1 28 137F.6, if the conditions described in this section are met,
1 29 fees imposed pursuant to that chapter and those sections shall
1 30 be retained by and are appropriated to the department of
1 31 inspections and appeals each fiscal year to provide for
1 32 salaries, support, maintenance, and miscellaneous purposes
1 33 associated with the additional inspections. ~~The appropriation~~
1 34 ~~made in this subsection is not applicable in a fiscal year for~~
1 35 ~~which the general assembly enacts an appropriation made for~~
2 1 ~~the purposes described in this subsection.~~
2 2 Sec. 4. Section 137F.6, Code Supplement 2007, is amended
2 3 to read as follows:
2 4 137F.6 LICENSE FEES.
2 5 1. The regulatory authority shall collect the following
2 6 annual license fees:
2 7 a. For a mobile food unit or pushcart, ~~twenty-seven~~ one
2 8 hundred dollars.
2 9 b. For a temporary food establishment per fixed location,
2 10 ~~thirty-three~~ fifty dollars ~~and fifty cents~~.
2 11 c. For a vending machine, twenty dollars for the first
2 12 machine and five dollars for each additional machine.
2 13 d. For a food establishment which prepares or serves food
2 14 for individual portion service intended for consumption
2 15 on-the-premises, the annual license fee shall correspond to
2 16 the annual gross food and beverage sales of the food
2 17 establishment, as follows:
2 18 (1) Annual gross sales of under fifty thousand dollars,

2 19 sixty-seven one hundred dollars and fifty cents.
2 20 (2) Annual gross sales of at least fifty thousand dollars
2 21 but less than one hundred thousand dollars, one hundred
2 22 ~~fourteen seventy~~ dollars ~~and fifty cents~~.
2 23 (3) Annual gross sales of at least one hundred thousand
2 24 dollars but less than two hundred fifty thousand dollars, ~~two~~
2 25 ~~three hundred thirty-six~~ fifty dollars ~~and twenty-five cents~~.
2 26 (4) Annual gross sales of two hundred fifty thousand
2 27 dollars but less than five hundred thousand dollars, ~~two~~ four
2 28 hundred ~~seventy-five~~ dollars.
2 29 (5) Annual gross sales of five hundred thousand dollars or
2 30 more, ~~three~~ four hundred ~~three~~ fifty dollars ~~and seventy-five~~
2 31 ~~cents~~.
2 32 e. For a food establishment which sells food or food
2 33 products to consumer customers intended for preparation or
2 34 consumption off-the-premises, the annual license fee shall
2 35 correspond to the annual gross food and beverage sales of the
3 1 food establishment, as follows:
3 2 (1) Annual gross sales of under ten thousand dollars,
3 3 ~~forty sixty~~ dollars ~~and fifty cents~~.
3 4 (2) Annual gross sales of at least ten thousand dollars
3 5 but less than two hundred fifty thousand dollars, one hundred
3 6 ~~one fifty~~ dollars ~~and twenty-five cents~~.
3 7 (3) Annual gross sales of at least two hundred fifty
3 8 thousand dollars but less than five hundred thousand dollars,
3 9 ~~one two~~ hundred ~~fifty-five~~ thirty dollars ~~and twenty-five~~
3 10 ~~cents~~.
3 11 (4) Annual gross sales of at least five hundred thousand
3 12 dollars but less than seven hundred fifty thousand dollars,
3 13 ~~two three~~ hundred ~~two~~ dollars ~~and fifty cents~~.
3 14 (5) Annual gross sales of seven hundred fifty thousand
3 15 dollars or more, ~~three~~ four hundred ~~three~~ fifty dollars ~~and~~
3 16 ~~seventy-five cents~~.
3 17 f. For a food processing plant, the annual license fee
3 18 shall correspond to the annual gross food and beverage sales
3 19 of the food processing plant, as follows:
3 20 (1) Annual gross sales of under fifty thousand dollars,
3 21 ~~sixty-seven one hundred~~ dollars ~~and fifty cents~~.
3 22 (2) Annual gross sales of at least fifty thousand dollars
3 23 but less than two hundred fifty thousand dollars, ~~one two~~
3 24 hundred ~~thirty-five~~ dollars.
3 25 (3) Annual gross sales of at least two hundred fifty
3 26 thousand dollars but less than five hundred thousand dollars,
3 27 ~~two three~~ hundred ~~two~~ dollars ~~and fifty cents~~.
3 28 (4) Annual gross sales of five hundred thousand dollars or
3 29 more, ~~three~~ five hundred ~~thirty-seven~~ dollars ~~and fifty cents~~.
3 30 g. For a farmers market where potentially hazardous food
3 31 is sold or distributed, one seasonal license fee of one
3 32 hundred dollars for each vendor on a countywide basis.
3 33 h. ~~A food establishment covered by paragraphs "d" and "e"~~
3 34 ~~shall be assessed license fees not to exceed seventy-five~~
3 35 ~~percent of the total fees applicable under both paragraphs.~~
4 1 h. Upon transfer of ownership of an existing food
4 2 establishment or food processing plant subject to a license
4 3 fee under paragraph "d", "e", or "f", the new owner shall pay
4 4 the last license fee amount paid by the previous owner for the
4 5 first year of licensure. In subsequent years, the licensee
4 6 shall pay the fee specified for the licensee's annual gross
4 7 sales.
4 8 i. A new applicant subject to a license fee under
4 9 paragraph "d", "e", or "f" shall pay the license fee based on
4 10 projected gross sales under each of the applicable paragraphs
4 11 for the first year of licensure. In subsequent years, the
4 12 licensee shall pay the fee specified for the licensee's annual
4 13 gross sales.
4 14 j. For a food establishment or food processing plant that
4 15 is being remodeled or newly constructed and that is subject to
4 16 a license fee under paragraph "d", "e", or "f", the applicant
4 17 shall pay, in addition to any other fees assessed under this
4 18 chapter, a plan review fee of up to two hundred fifty dollars,
4 19 as determined by the regulatory authority.
4 20 k. For a food establishment or food processing plant that
4 21 is being remodeled and that is subject to a license fee under
4 22 paragraph "d", "e", or "f", the licensee shall pay, in
4 23 addition to any other fees assessed under this chapter, a plan
4 24 review fee of up to two hundred fifty dollars, as determined
4 25 by the regulatory authority.
4 26 l. If a routine inspection or a complaint investigation of
4 27 a food establishment or food processing plant subject to a
4 28 license fee under paragraph "d", "e", or "f" reveals the
4 29 presence of one or more critical violations and requires one

~~4 30 or more physical reinspections, a reinspection fee of fifty~~
~~4 31 dollars shall be assessed for each reinspection. Failure to~~
~~4 32 pay the reinspection fee shall subject a food establishment or~~
~~4 33 food processing plant to suspension or revocation of the food~~
~~4 34 establishment's or food processing plant's license pursuant to~~
~~4 35 section 137F.7 and to the penalty provisions of section~~
~~5 1 137F.17.~~

5 2 2. If an establishment licensed under subsection 1,
5 3 paragraph "d" or "e", has had a person in charge for the
5 4 entire previous twelve-month period who holds an active
5 5 certified food protection manager certificate from a program
5 6 approved by the conference on food protection and the
5 7 establishment has not been issued a critical violation during
5 8 the previous twelve-month period, the establishment's license
5 9 fee for the current renewal period shall be reduced by fifty
5 10 dollars.

5 11 3. All fees imposed pursuant to this chapter shall be
5 12 increased annually in an amount equal to the greater of five
5 13 dollars, or the consumer price index for all urban consumers
5 14 for the immediately preceding calendar year, as published in
5 15 the federal register by the United States department of
5 16 labor's bureau of labor statistics and rounded to the nearest
5 17 increment of five dollars.

5 18 ~~3.~~ 4. Fees collected by the department shall be deposited
5 19 in the general fund of the state. Fees collected by a
5 20 municipal corporation shall be retained by the municipal
5 21 corporation for regulation of food establishments and food
5 22 processing plants licensed under this chapter.

5 23 ~~4.~~ 5. Each vending machine licensed under this chapter
5 24 shall bear a readily visible identification tag or decal
5 25 provided by the licensee, containing the licensee's business
5 26 address and phone number, and a company license number
5 27 assigned by the regulatory authority.

5 28 EXPLANATION

5 29 This bill increases the fees for the inspection or
5 30 reinspection of hotels, food establishments, and food
5 31 processing plants. The bill also provides for an automatic
5 32 annual adjustment of those fees in an amount equal to the
5 33 greater of \$5, or the consumer price index for all urban
5 34 consumers for the immediately preceding calendar year. The
5 35 bill also sets out a process for the calculation of fees for a
6 1 new food establishment or food processing plant or when a food
6 2 establishment or food processing plant changes ownership or is
6 3 remodeled.

6 4 LSB 5503DP 82

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